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FM AMEMBASSY KATHMANDU

TO RUEHC/SECSTATE WASHDC PRIORITY 1326

INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 7276

RUEHLM/AMEMBASSY COLOMBO PRIORITY 7644

RUEHKA/AMEMBASSY DHAKA PRIORITY 2995

RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5683

RUEHLO/AMEMBASSY LONDON PRIORITY 6754

RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3462

RUEHWL/AMEMBASSY WELLINGTON PRIORITY 0058

RUEHCI/AMCONSUL KOLKATA PRIORITY 4936

RUEHGV/USMISSION GENEVA PRIORITY 2517

RUCNDT/USMISSION USUN NEW YORK PRIORITY 3799

RUEKJCS/SECDEF WASHDC PRIORITY

RHMFIS/CDR USPACOM HONOLULU HI PRIORITY

RUEAIIA/CIA WASHDC PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 000062

SIPDIS

E.O. 12958: DECL: 01/22/2019

TAGS: PGOV PHUM KDEM NP

SUBJECT: NEPAL PM: "CANTONMENTS AND CONSTITUTION LINKED"

Classified By: Charge d' Affaires, a.i., John M. Ordway. Reasons 1.4 (b) (d).

¶1. (C) SUMMARY: In a January 18 meeting with SCA PDAS Patrick Moon, Prime Minister M.K. Nepal said the peace process and the constitution drafting process were inextricably linked. He asked the international community to support the government's new integration and rehabilitation plan and pressure the Maoists to move forward. The PM said the constitution drafting process was nearly complete but had bogged down over the system of government and the details of a federalist structure. He was lukewarm about the recently created "high-level political mechanism." PM Nepal reiterated the government's commitment to human rights, but said the Nepal Army was losing capacity due to the peace agreement restrictions.

MAOIST ARMY MUST BE ELIMINATED

¶2. (C) PDAS Moon told PM Nepal, who was accompanied by Foreign Affairs Advisor Rajan Bhattarai, that the United States strongly supports the peace process, democracy, and stability in Nepal. The USG is not recommending specific actions, but is urging leaders to work together. Now is the time for movement. The PM Nepal agreed and thanked the United States for the supportive role it has played in the peace process and in Nepal's democratic movement. PM Nepal said the country's peace process and the constitution process were inter-linked.

¶3. (C) According to PM Nepal, the highest priority is integrating and rehabilitating the 19,000 Maoist combatants. PM Nepal said the government was committed to closing the cantonments before the promulgation of the constitution on May 28, 2010. The non-Maoist political parties "will not commit the same mistake" and allow the Maoists to keep the People's Liberation Army (PLA) as leverage during the final negotiations on the constitution. (Note: The parties were unable to integrate and rehabilitate the PLA before the 2008 Constituent Assembly elections. The other parties accused the Maoists of using the PLA to intimidate voters. End note.) He said the government was currently negotiating an action plan for closing the cantonments by May 15. PM Nepal asked the United States and the international community to support the plan and to urge the Maoists to support it as well. PDAS Moon encouraged PM Nepal to be flexible in negotiating the action plan details.

14. (C) The Prime Minister explained that the government would reverify the combatants remaining in the cantonments, and conduct interviews to determine what they want to do. For those who want to join the Nepal Army or other security forces, the government would conduct assessments to see if the individuals meet the standard acceptance requirements. The government will also assess how many individuals it can absorb into the Nepal Army. The combatants will chose whether they want to join the security forces (integration), return to their communities (rehabilitation), or join Maoist political or social groups (political). He was confident the 19,000 Maoist combatants would move to these new transition centers by May 15, and the cantonments would be shut down.

#### TWO ISSUES LEFT ON CONSTITUTION

15. (C) Work on the new constitution has been going well, PM Nepal reported. However, the negotiations have bogged down over the type of government Nepal will have -- presidential, parliamentary, or directly elected prime minister -- and over the type of federal structures to create. In spite of the slow pace, the PM suggested the parties would be able to work out differences.

#### HIGH LEVEL POLITICAL MECHANISM

16. (C) PDAS Moon asked about the recently created high level political mechanism (HLM). PM Nepal said the group has no constitutional authority to negotiate and called it "just a

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useful platform -- a gentleman's club." However, he said he was "trying to be positive about anything that helps move the process forward." (Comment: Political party leaders Prachanda (Maoist), G.P. Koirala (Nepali Congress), and Jhalanath Khanal (Communist Party of Nepal-United Marxist Leninist) negotiated the HLM and did not include PM Nepal as a member. He has since been "invited", but his lukewarm response likely stems from the initial slight and the fact that the HLM may undercut his authority as prime minister. End comment.)

#### HUMAN RIGHTS AND THE NEPAL ARMY

17. (C) PDAS Moon urged the Prime Minister to investigate human rights abuses and suggested the proposed Truth and Reconciliation and Disappearances Commissions may be an appropriate way to address the abuses that occurred during the war. Protecting human rights is of "great importance" to Nepal, the PM replied. He said issues of Nepal Army abuses were taken seriously, but the "Maoists started the violence," and the Army had to protect itself and the people. Despite this fact, PM Nepal said security personnel were "punished, penalized, and dismissed -- and others will be too." He said that there was no evidence implicating General Toran Singh in human rights abuses. (Note: Singh is accused of command responsibility for torture and disappearances of Maoist suspects from Maharajgunj Barracks.)

18. (C) PM Nepal said the UN Peacekeeping Operations office in Chad had no right to expel Nepal Army peace keeper Niranjan Basnet, who has been indicted by civilian courts for involvement in a high-profile human rights abuse case. Other politicians suggested Nepal should pull the entire Nepali peace-keeping force out of Chad at the same time Basnet left, but he refused. He said he thought the move would hurt the Nepal Army's morale. The Nepal Army is losing strength since the peace accords restricted its ability to recruit personnel and resupply itself. The Prime Minister said, "If you keep a tiger in your home, you have to give it meat."

#### CLIMATE CHANGE

110. (C) PDAS Moon congratulated PM Nepal for raising awareness of the effects of climate change on the Himalayas.

The cabinet meeting at Everest Base Camp and the government's efforts at the Copenhagen summit were useful additions to the climate change dialogue. PM Nepal responded that Nepal is trying to address the immediate concern of melting glaciers creating mountain lakes that threaten to collapse and flood villages below. He urged the United States to assist in studying this threat and suggesting solutions. Nepal also said the government wanted to utilize its hydropower potential, and sell the excess energy to India to decrease India's reliance on fossil fuels.

NEPAL AIRLINE CORPORATION

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¶11. (C) PDAS Moon urged PM Nepal to conduct a transparent and objective review of the Nepal Airline Corporation's purchase of two new airplanes. The Prime Minister acknowledged that all companies must be given a chance to compete. He assured Moon that a review would be conducted to determine whether the quality and pricing were appropriate for Nepal.

COMMENT

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¶12. (C) The Prime Minister was optimistic about the peace process, and gave a strong impression that the government could move the country forward in the next six months. He is trying to use the constitution deadline and UNMIN's impending departure to force movement on the integration and rehabilitation of Maoist combatants. The Maoists appear to be willing to use the plan as a basis for negotiating a final agreement, but the details of the integration plan, from numbers integrated to the transfer of ranks, will be difficult to resolve.

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ORDWAY